FOR MYSORE STATE

Govt of Madras

1950

Development Dept

G.O. M.S. 2498

23-6-50.

Abstract

Statement No. 3

L.C.Q - Bhima Rao (Sw) B.
M.L.C. Bellary Cont'l
Stores - Non furnishing
of certain particulars -
to members - Complaint -
Question answered - Papers
Recorded

Copies of Pp. 13-14
for A. dhra and Kesdary

SECRETARIAT OF THE MADRAS LEGISLATURE.

(COUNCIL SECTION)

31-1-1950.

STARRED.

SRI B. BHIMA RAO, M.L.C.

DEVELOPMENT DEPARTMENT.

Q.NO.3.

Will the Hon. the Minister for Local Administration be pleased to state:

(a) whether complaints have been receiv by the Government as well as the Registrar of Co-operative Societies with regard to the non furnishing of the particulars referred to in Question No.2 to members of the Bellary Primary Stores in order that they may ascertain the accurate details before passing the accounts;

(b) whether specific complaints have been made with regard to the alleged misappropriation of the value of 7000 gunny bags during 1947--48 and whether any enquiry has been made with regard to the same and if so, what the result of the enquiry is;

(c) whether the Government will lay on the table of the House the report of the officer who made the enquiry;

(d) whether the Government will lay on the table of the House the reply sent by the Registrar of Co-operative Societies with regard to the representations received by him; and

(e) whether the Government have considered the representations and replies sent by the Registrar and taken action thereon and if so, to what effect?

Dem. Copy 3

Memo. no. 9825 B-II/50-1 dt 7-2-50

Subj: L.C.Q. – Starred No. 3 – Audit report – Non furnishing to members – Complaint by the Bellary primary Stones –

A copy of the Commn question (Starred) No. 3 is forwarded to the R.C.S. Hers requested to furnish all information to enable the Govt to answer the Question and other supplementaries if any.

2. A copy of Council Question No. 2 referred to in the above Question has been forwarded to the Registrar

4

Separately with Govt memo. No. 9889-B-I/50-1, d. 7.2.1950.

3. A reply is requested before 20.2.1950.

7/2/50. 7/2/50.

7/2/50

To the R.C.S.
(with copy of question No. 3)

Rem 20.2.50.

Cooperative Department.

From:
Sri J.C.Ryan, M.A.,
Registrar of Cooperative Societies,
Chepauk, M a d r a s.

To:
The Secretary to Government,
Development Department,
Fort St. George, M a d r a s.

-x-x- -x-x-x-

The Deputy Registrar reports that instruction No. 1 was complied with. He has not stated whether the audit report and the Balance Sheet were put on the notice board. I am asking him about it and I shall submit my further report as soon as his reply is received.

Question (b): "Whether specific complaints have been made with regard to the alleged misappropriation of the value of 7000 gunny bags during 1947-48 and whether any enquiry has been made, with regard to the same and if so, what the result of the enquiry is:"

Answer: A copy of the complaint dated 4-12-1949 from one B. Rama Rao, (a non-member) alleging loss of 7,000 gunnies, addressed to the Registrar was received by Government. It was transferred to me for disposal. (Vide Development Endorsement No. 15290-B.II/49-1 dated 12-2-1949). The deficit in gunny bags was pointed out in audit, long before the complaint was received and action had been taken. The complaint was received and action had been taken. The complaint was, nevertheless, investigated into by the Cooperative Sub-Registrar for supervision of Stores, Bellary and, based on the report of his enquiry, the Deputy Registrar reported as follows:

"The gunny bags account for the year 47-48 which was not maintained properly, has since been got written up and responsibility fixed on the concerned salesmen of the stores by the board of Directors in their meeting held on 13-3-1949. The empty tins account is being written up and the Secretary was instructed to fix up responsibility on the salesmen concerned and take action for recovery of the amounts due from salesmen towards the value of deficit gunny bags. There may not be any difficulty in realising the amounts as the majority of the salesmen are reported to have security deposits to their credit."

"As regards the deficits in gunnies and empties, the figure shown is grossly exaggerated. The concerned salesmen after going through their respective accounts have declared themselves responsible for the deficit in gunnies. Accordingly, the stores has collected a sum of Rs.556-12-0, from the employees now working in the stores and a further sum of Rs.874-2-7 has been collected from the ex-employees by adjusting their security amounts. Still, an amount of Rs.1032-5-5 is pending recovery. As the salesmen pleaded their inability to pay the entire amount in one lumpsum, the stores has permitted them to pay at the rate of Rs.10/- each per month. Thus the entire amount will be collected soon."

2. The loss of gunny bags was estimated at Rs.2093-8-0 and the responsibility for it was fixed by the directors on the salesmen. As much as Rs.2,001-3-0 have so far been recovered and the Deputy Registrar Reports that the balance of Rs.92/- also will be recovered soon.

Question (c).. Whether the Government will lay on the table of the House the report of the officer who made the enquiry: "

Answer: The Deputy Registrar has not sent me a copy of the Cooperative Sub-Registrar's report. His reports extracted under Question (b) above only based on the results of the Cooperative Sub-Registrar's enquiry. I am asking him to submit a copy of the Cooperative Sub-Registrar's report on the question relating to the loss in gunny account and shall send it to Government as soon as it is received.

Question (d). "Whether the Government will lay on the table of

House, the reply sent by the Registrar of Cooperative Societies with regard to the representations received by him;"

'B'ompsalore Answer: A copy of my memorandum issued to Mr. Seshagiri Rao with reference to his representation regarding the issue of copies of summary of defects is extracted in answer to Question (a) above." | B

As regards the complaint about the gunny bags, the petitioner Sri B. Rama Rao is not a member of the Stores (vide his statement before the Cooperative Sub-Registrar) extracted below:

"I am not a member of the Bellary Cooperative Stores. I am a public worker. My duty is to expose frauds. I have got credible information as to who are my informants. My intention is that the loss if any should be recovered from the Directors responsible."

M | No reply was sent to him.

Question (e): "Whether the Government have considered Plaxe the representations and replies sent by the Registrar and taken action thereon and if so, to what effect?"

K | Answer: The Deputy Registrar has already taken action. The question of Government taking action does not arise, therefore, arise.

P Adhikari
For Registrar.

rrg/20-2. 4/2072

/8

Dev. Dept.

To A.S.

The reply from the R.C.S at Pr 5-7 above to the memo at Pr 3-4 above may be perused. The further reports promised by the Registrar at 'A' & 'B' on P 6 above may be awaited till 25-2-50, when he will be reminded.

21.2.50 22/2/50

B2

R.C.No.8333/50-S.1

Office of the Registrar of Cooperative Societies, Madras, 23-2-50.

From
Sri C.J.C. Ryan, M.A.,
Registrar of Cooperative Societies,
Chepauk, M a d r a s.

To
The Secretary to Government,
Development Department,
Fort St. George, Madras.

Sir,

IS601

Sub: Legislative Council Question No.3 - Audit report - non-furnishing to Members - complaint against the Bellary Cooperative Primary stores -

P P3-4 above Ref: 1) Government Memorandum No.9825-B.11/50-1 Development dated 7-2-50.
H 5-7 above 2) My letter R.C.No.8333/50-S.1 dated 19-2-50.

I furnish the following further information in continuation of my letter cited: H 5-7 above

P/above Question 3(a)

Z The Deputy Registrar, Bellary reports that the audit certificate and the audited balance sheet of the Bellary Cooperative Stores were put up on the Notice Board before the General Body meeting.

P/above Question 3(c).

The report of the Cooperative Sub-Registrar who enquired into the question of deficits in the gunnies is extracted below:

B "I visited the Bellary Primary Stores on 24-3-49. After the Departmental Senior Inspector took charge, he got the empty bags accounts for 47-48 written up and checked the same. He has also worked out the number of gunny bags due from each salesman. In the directors meeting held on 19-3-49 responsibility has been fixed on each of the salesman. It is submitted for Deputy Registrar's information that the salesmen have security deposit to their credit and there may not be any difficulty for recovering the amount".

For Registrar

23/2/50

Pl. / Sh. (Only Enclosure is available below)

Dev. Dept

Memo. No. 9825 BI | 50-2 dt 4.3.50

4/3/50

Subj:- L.C.Q. Starred No. 3 - Statement to be laid on the table of the House - Copies - Requested

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A copy of the Statement to be placed on the table of the Legislative Council is enclosed herewith. The S.G.P. is requested to furnish 200 copies of the Statement before 7.3.50, without fail.

4.3.50 dr 4/3/50.

Ys 4/3/50

Ps of the answer below

Do Dpd 1/10 3/3/50.

The S.H. G.P. (with Enc)

R 7.3.50.

DEVELOPMENT DEPARTMENT

SECRETARIAT OF THE MADRAS LEGISLATURE
(COUNCIL SECTION)
31-1-1950.

STARRED.

SRI B. BHIMA RAO, M.L.C.,
DEVELOPMENT DEPARTMENT.

*Q.No.3.

Will the Hon. the Minister for Local Administration be pleased to State;

(a) whether complaints have been received by the Govt. as well as the Registrar of Cooperative Societies with regard to the non furnishing of the particulars referred to in Question No. 2 to members of the Bellary Primary Stores in order that they may ascertain the accurate details before passing the accounts;

(a) No complaint was received by Govt. The Regr. received a petition from one Sri H. Seshagiri Rao, an ex-employee of the Bellary Coop.Stores, requesting him to direct the stores to grant him copies of its audit defects sheets. The petitioner was informed that he could ask for a copy of the audit defects in the general body meeting.

(b) whether specific complaints have been made with regard to the alleged misappropriation of the value of 7000 gunny bags during 1947-48 and whether any enquiry

has been made with regard to the same and if so, what the result of the enquiry is;

Pl cf.

(b) A complaint dated 4-12-49 from one Sri B. Rama Rao alleging loss of 7000 gunnies in the Bellary Stores was received by Govt. and was forwarded to the Regr. for disposal. An enquiry, into the matter was made by the Coop. Sub.Regr for supervision of Stores, Bellary. The responsibility for the loss was fixed by the Directors on the salesmen. A sum of Rs. 2001-8-0 out of an amount of Rs.2093-8-0, respresenting the value of the gunnies has already been recovered and the balance of Rs.92 will also be recovered soon.

'X' on p 6 cf.

'Y' on p 6 cf.

'W' on p 6 cf.

'W' on p 6 cf.

(c) Whether the Govt. will lay on the table of the House the report of the officer who made the enquiry;

Pl cf.

The report is placed on the table of the House.

(Vide Sl. No. I on p 5 below)

(d) whether the Govt. will lay on the table of the House the reply sent by the Regr. of Coop. Societies with regard to the representations received by him; and.

(d) A copy of the reply sent by the Regr. to Sri Seshagiri Rao with reference to his representation regarding the issue of copies of audit defects is placed on the table of the House.

'B' on p 7 cf.

'A' on p 5 cf.

(Vide Sl. No. II on p 5 below)

~~(d) contd.~~

No reply was sent to Sri B. Rama Rao with reference to his complaint regarding the loss of gunny bags, as he was not a member of the stores.

(e) whether the Govt. have considered the representations and replies sent by the Regr. and taken action thereon and if so, to what effect?

(e) As the Regr. has already taken action, the question of Govt taking action does not arise.

To the Secretariat of the
Madras Legislature
(council section)
Pub. (Elections).

STATEMENT LAID ON THE TABLE OF THE HOUSE

(Vide answers to Question No. 3) I

Report of the C.S.R. who made the enquiry in respect of the loss of gunnies in the Bellary Cooperative Stores.

p.2 above (Vide clause (c) of the question).

'B' on p 9 CF.

"I visited the Bellary Primary Stores on 24-3-49. After the Departmental Senior Inspector took charge, he got the empty bags accounts for 47-48 written up and checked the same. He has also worked out the number of gunny bags due from each salesman. In the directors meeting held on 19-3-49 responsibility has been fixed on each of the salesmen. It is submitted for Deputy Registrar's information that the salesmen have security deposit to their credit and there may not be any difficulty for recovering the amount."

II

Reply sent by the Registrar of Cooperative Societies to Sri Sesagiri Rao with reference to his representation regarding the issue of copies of ~~summary of~~ defects.

p.2 above

(Vide clause (d) of the question).

'B' on p 5 CF.

The petitioner is informed that he cannot ask for a copy of the audit defects. He can ask for it for perusal in the General Body Meeting when the audit certificate is considered."

KSO 1.3.50. 4a 1/3/50.

Bn 9825/50

MADRAS LEGISLATIVE (COUNCIL) STARRED QUESTION
No.3 BY SRI B. BHIMA RAO, M.L.C.,

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*Q.No.3.

Will the Hon'ble the Minister for Local Administration be pleased to State

(a) whether complaints have been received by the Government as well as the Registrar of Cooperative Societies with regard to the non-furnishing of the particulars referred to in Question No.2 to members of the Bellary Primary Stores in order that they may ascert the accurate details before passing the accounts;

(b) whether specific complaints have been made with regard to the alleged misappropriation of the value of 7000 gunny bags during 1947-48 and whether any enquiry has been made with regard to the same and if so, what the result of the enquiry is

(c) whether the Government will lay on the table of the House the report of the officer who made the enquiry;

(d) whether the Government will lay on the table of the House the reply sent by the Registrar of Cooperative Societies with regard to the representations received by him; and

(e) whether the Government have considered the representations and replies sent by the Registrar and taken action thereon and if so, to what effect?

DEVELOPMENT DEPARTMENT

A N S W E R

(a) No complaint was received by Government. The Registrar received a petition from one Sri H. Seshagiri Rao, an ex-employee of the Bellary Cooperative Stores, requesting him to direct the stores to grant him copies of its audit defects sheet. The petitioner was informed that he could ask for a copy of the audit defects in the general body meeting.

(b) A complaint dated 4-12-49 from one Sri B. Rama Rao alleging loss of 7000 gunnies in the Bellary Stores was received by Government and was forwarded to the Registrar for disposal. An enquiry, into the matter was made by the Cooperative Sub-Registrar, for supervision of Stores, Bellary. The responsibility for the loss was fixed by the Directors on the salesmen. A sum of Rs.2001-8-0 out of an amount of Rs.2093-8-0, respresenting the value of the gunnies, has already been recovered and the balance of Rs.92 will also be recovered soon.

(c) The report of the Cooperative Sub-registrar on this question is placed on the table of the House.

(d) A copy of the reply sent by the Registrar to Sri Seshagiri Rao with reference to his representation regarding the issue of copies of audit defects is placed on the table of the House. No reply was sent to Sri B. Rama Rao with reference to his complaint regarding the loss of gunny bags, as he was not a member of the stores.

p.t.o

Question answered on 9/8/50

(e) As the Registrar has already taken action, the question of Government taking action does not arise.

R. KOTESWARA RAO,
Deputy Secretary to Government.

(The above answer has been approved by the Hon'ble Sri K. Chandramouli, the Minister for Local Administration).

To
The Secretariat of the Madras Legislature (Council Section)
(5-copies)
The Public (Elections) Department

ASSISTANT SECRETARY TO GOVERNMENT.
16/8/50

PAPER PLACED ON THE TABLE OF THE HOUSE.

[VIDE ANSWERS TO QUESTION No. 3.]

(*c*)—

Report of the Co-operative Sub-Registrar who made the enquiry in respect of the loss of gunnies in the Bellary Co-operative Stores :—

"I visited the Bellary Primary Stores on 24th March 1949 After the Departmental Senior Inspector took charge, he got the empty bags accounts for 1947-48 written up and checked the same. He has also worked out the number of gunny bags due from each salesman. In the directors' meeting held on 19th March 1949 responsibility has been fixed on each of the salesmen. It is submitted for Deputy Registrar's information that the salesmen have security deposit to their credit and there may not be any difficulty for recovering the amount."

(*d*)—

Reply sent by the Registrar of Co-operative Societies to Sri Seshagiri Rao with reference to his representation regarding the issue of copies of audit defects :—

"The petitioner is informed that he cannot ask for a copy of the audit defects. He can ask for it for perusal in the general body meeting when the audit certificate is considered."

Madras Legis. II-3—1,000—16-12-49

SECRETARIAT OF THE MADRAS LEGISLATURE,

Fort St. George, dated the 3rd February 1950.

B II/50-1 dt 7-2-50

B 9825

QUESTION No. 3 for the next meeting of the Legislative Council

~~to be held on the~~ 19

Two copies of this question are forwarded to the Development Department.

The question has been admitted.

3.2.50 3/2

To

The Development Department

W. O. & S.O. 50. 14-2-50. 2 N.N.

Dev. Dept.

To A.S.

Please see the Council question at P1 C.F. ~~A copy of the question together with a copy of Question No. 2 referred to in the question may be sent to the R.C.S and he may be asked to furnish all information for preparing suitable answer to the question.~~ ITO portion relating to the complaints referred to in clauses (a) & (b) or the reports referred to in clauses (c) & (d) are traceable. A copy of the question may be sent to the R.C.S and he may be asked to furnish all information for preparing suitable answer to the question. Subject to orders, draft memo. is submitted for approval.

7/2/50.

PP3-4 C.F. [Issued as Memo. No. 9825 B II/50-1 dt. 7-2-50]
Pr 5-7 C.F. [From the R.C.S. Dr. No. 8338/50-S.1. dt. 19-2-50]
P 9 C.F. [From the R.C.S. Dr. No. 8333/50-S.1. dt. 23-2-50]

Shorn. B I.
7-2-50

To A.S.

Please see the letters from the R.C.S. at pp 5-9 C.F. in reply to the memo. at pages 3-4 C.F. A draft answer prepare

V/3 9825

on the lines of the Registrars reports, is submitted for approval. May be circulated to HH (L-A) for approval of the draft.

KSR 4/3
1.3.50. 1/3/50:

2.3.50

HH(L-A).

4 MAR 1950
DEVELOPMENT DEPARTMENT

pointing the statement to the
pleces on the table of the house
is submitted for approval

4/3/50

4/3/50

Items as memo. to the Sec'y. no. 9825/B1/50-2 dt. 24.3.50. — p 11 CF
Letter from the Regs. Re no. 8 233-50-S.1. dt. 1.3.50. — p 13 CF.

Please see the Registrar's letter on p 13 CF.
Submitted for necessary action.

Development

Submitted with reference to para. 2 of this letter, a draft letter to the Secretary of the Kerala Legislature is submitted for approval. — Cf. see instructions on 'A' copy 1-2 of (W)

We may pre-examine the Registers

Extracts taken for necessary action

9/3/50

Yours Registrar

Received

3/3/50

Alleged irregularities in the working of the Bellary Primary Co-operative Stores.

25 Q.—SRI B. BHIMA RAO: Will the Hon. the Minister for Local Administration be pleased to state—

(*a*) whether complaints have been received by the Government as well as the Registrar of Co-operative Societies with regard to the non-furnishing of the particulars referred to in question No. 16 answered on 8th March 1950, to members of the Bellary Primary Stores in order that they may ascertain the accurate details before passing the accounts;

(*b*) whether specific complaints have been made with regard to the alleged misappropriation of the value of 7,000 gunny bags during 1947–48 and whether any enquiry has been made with regard to the same and if so, what the result of the enquiry is;

(*c*) whether the Government will lay on the table of the House the report of the officer who made the enquiry;

(*d*) whether the Government will lay on the table of the House the reply sent by the Registrar of Co-operative Societies with regard to the representations received by him; and

(*e*) whether the Government have considered the representations and replies sent by the Registrar and taken action thereon and if so, to what effect?

THE HON. SRI K. CHANDRAMOULI :—"(*a*) No complain was received by Government. The Registrar received a petition from one Sri H. Seshagiri Rao, an ex-employee of the Bellary Co-operative Stores, requesting him to direct the stores to grant him copies of its audit defects sheet. The petitioner was informed that he could ask for a copy of the audit defects in the general body meeting.

(*b*) A complaint, dated 4th December 1949, from one Sri B. Rama Rao alleging loss of 7,000 gunnies in the Bellary Stores was received by Government and was forwarded to the Registrar for disposal. An enquiry, into the matter was made by the Co-operative Sub-Registrar, for Supervision of Stores, Bellary. The responsibility for the loss was fixed by the Directors on the salesmen. A sum of Rs. 2,001–8–0 out of an amount of Rs. 2,093–8–0, representing the value of the gunnies, has already been recovered and the balance of Rs. 92 will also be recovered soon.

(*c*) The report of the Co-operative Sub-Registrar on this question is placed on the table of the House.

(*d*) A copy of the reply sent by the Registrar to Sri Seshagiri Rao with reference to his representation regarding the issue of copies of audit defects is placed on the table of the House. No reply was sent to Sri B. Rama Rao with reference to his complaint regarding the loss of gunny bags, as he was not a member of the stores.

(*e*) As the Registrar has already taken action, the question of Government taking action does not arise."

SRI B. BHIMA RAO :—"Is the Hon. Minister aware that in some of the Co-operative Societies some people are very particular to have detailed information which is denied to them til the general body meeting is held?"

THE HON. SRI K. CHANDRAMOULI :—"There are certain rules, Sir. The general body has to follow these rules."

SRI B. BHIMA RAO :—"Would it not be practicable, Sir, if the Government issued instructions that these audit defects sheet should be roneoed and issued to such members on payment of actual cost which would be negligible?"

THE HON. SRI K. CHANDRAMOULI :—"Citing one or two instances or complaints, it is not always possible to change the rules."

SRI B. BHIMA RAO :—"Is not the Hon. Minister aware that in almost every co-operative institution they want the audit defect sheet to be supplied to them and will it not be extremely costly if they are typed and given?"

THE HON. SRI K. CHANDRAMOULI :—"That is not my point, Sir. If there are general complaints everywhere then the question of altering the rules can be taken up. So long as there is only one or two, by some individual members, it cannot be altered so easily."

SRI B. BHIMA RAO :—"Is it not a fact, Sir, that action was taken and money recovered from the salesman six or nine months after the complaint was lodged?"

THE HON. SRI K. CHANDRAMOULI :—"No, Sir. Long before the complaint was lodged by the gentleman, action was taken."

SRI N. VENKATACHALAMAJI :—" May I know, Sir, whether the Government consider the amount recovered as very low even if they were old gunnies? "

THE HON. SRI K. CHANDRAMOULI :—" I do not understand what the hon. Member means whether low or high."

SRI R. SURYANARAYANA RAO :—" May I know, Sir, whether the general body has a right to ask the audit notes to be read? "

THE HON. SRI K. CHANDRAMOULI :—" It will be read in the general body meeting."

SRI B. BHIMA RAO :—" Instead of wasting time in the meeting would it not be more expedient for sheets being sent to the members one week before the holding of the general meeting? "

THE HON. SRI K. CHANDRAMOULI :—" I think it is much better for the members present there to hear all these things instead of sending them in advance to members."

10 A.S.

The supplementaries and the replies to them at pp 3-4 above may be perused. No further action is called for. The papers may be ~~closed~~ recorded.

16/6/50

23/6/50

Govt. 2498 dated

L.C.Q. - Bhima Rao
M.L.C. - Bellary
Strikes - non-furnishing of certain particulars to members
Complaint - ~~Refusal~~
Question answered
Papers recorded

(F)

SECRETARIAT OF THE MADRAS LEGISLATURE
(COUNCIL SECTION)

STARRED.

SRI B. BHIMA RAO, M.L.C.
DEVELOPMENT DEPARTMENT.

*Q.NO.2.

Will the Hon. the Minister for Local Administration be pleased to state:

(a) whether the Audit Report as well as the statements of (1) Receipts and charges;

(2) Assets and Liabilities and (3) Profit and Loss and Trading Account are printed and furnished to Members of Cooperative Societies for their consideration before passing the accounts in the General Body Meetings held by the Cooperative Societies;

(b) whether the audit defect sheets are also printed and circulated to the members before the General Body Meetings are held; and

(c) If not, whether the members are made aware of the said defects before they are called upon to pass accounts for the previous year?

6.2.54